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**BUSINESS AND PROFESSIONS CODE RELATING
DIRECTLY TO COURT REPORTERS**

Article 1. Administration (COURT REPORTERS BOARD)

8000. Certified Court Reporters Board; Existence; Members.

There is in the Department of Consumer Affairs a Court Reporters Board of California, which consists of five members, three of whom shall be public members and two of whom shall be holders of certificates issued under this chapter who have been actively engaged as shorthand reporters within this state for at least five years immediately preceding their appointment.

This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed. The repeal of this section renders the board subject to the review required by Division 1.2 (commencing with Section 473).

8001. Tenure of Members; Appointments; Vacancies.

Appointment as a member of the board shall be for a term of four years. Members of the board shall hold office until the appointment and qualification of their successors or until one year shall have elapsed since the expiration of the term for which they were appointed, whichever first occurs. No person shall serve as a member of the board for more than two consecutive terms except as provided in Section 131. Vacancies occurring shall be filled by appointment for the unexpired term.

The Governor shall appoint one of the public members and the two certified members qualified as provided in Section 8000. The Senate Rules Committee and the Speaker of the Assembly shall each appoint a public member.

8002. Compensation; Per Diem; Expenses.

Each member of the board shall receive a per diem and expenses as provided in Section 103.

8003. Officers; Quorum; Records.

At each yearly meeting a chairman and vice chairman shall be elected from the membership of the board. Three members shall constitute a quorum for the transaction of business. The board shall keep a complete record of all its proceedings and all certificates issued, renewed, or revoked, together with a detailed statement of receipts and disbursements.

8004. Payment of Expenses.

The expenses of the members of the board and the expenses of the board that are necessary to carry out the provisions of this chapter shall be paid from the fees collected under this chapter and such expenses shall not exceed the amount so collected.

8005. Executive Functions of Board; Committees; Executive Officer and Employees.

The Court Reporters Board of California is charged with the executive functions necessary for effectuating the purposes of this chapter. It may appoint committees as it deems necessary or proper. The board may appoint, prescribe the duties, and fix the salary of an executive officer. Except as provided by Section 159.5, the board may also employ other employees as maybe necessary, subject to civil service and other provisions of law.

This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed, unless a later enacted statute, which becomes effective on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed.

8007. Powers as to Applicants for Certificates.

The board shall:

- (a) Determine the qualifications of persons applying for certificates under this chapter.
- (b) Make rules for the examination of applicants and the issuing of certificates provided for in this chapter.

(c) Grant certificates to such applicants as may, upon examination, be qualified in professional shorthand reporting and in such other subjects as the board may deem advisable.

(d) Adopt, amend, or repeal rules and regulations which are reasonably necessary to carry out the provisions of this chapter.

8008. The Board Also Has the Following Powers and Duties:

(a) To adopt a seal.

(b) By affirmative vote of at least three members of the board, to suspend or revoke a certificate, for any cause specified in this chapter.

(c) To charge and collect all fees as provided for in this chapter.

(d) To require the renewal of all certificates.

(e) To issue subpoenas, to administer oaths, and to take testimony concerning any matter within the jurisdiction of the board.

(f) To administer a fund established from the fees collected pursuant to Section 8031, or from any other donated sources, to reimburse indigent litigants for the cost of preparation of official transcripts of court proceedings and deposition proceedings.

(g) To investigate the actions of any licensee, upon receipt of a verified complaint in writing from any person, for alleged acts or omissions constituting grounds for disciplinary action under the chapter.

This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed.

8009. Conduct of Disciplinary Proceedings.

Disciplinary proceedings under this chapter shall be conducted in accordance with Chapter 5 of Part 1 of Division 3 of Title 2 of the Government Code and the board shall have all the powers granted therein.

8010. Complaint Against Licensee; Public Disclosure.

Information regarding a complaint against a specific licensee may not be disclosed to the public until an accusation has been filed by the board and the licensee has been notified of the filing of the accusation against his or her license and the disciplinary proceedings to be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. This section does not apply to citations, fines, or orders of abatement, which shall be disclosed to the public upon notice to the licensee.

Article 2. Application of Chapter

8015. Purposes of Chapter

This chapter is designed to establish and maintain a standard of competency for those engaged in the practice of shorthand reporting, for the protection of the public, in general, and for the protection of all litigants whose rights to personal freedom and property are affected by the competency of shorthand reporters, in particular.

This section shall become operative on June 30, 1996.

8016. Necessity of Certificate and Exceptions

No person shall engage in the practice of shorthand reporting as defined in this chapter, unless such person is the holder of a certificate in full force and effect issued by the board. This section does not apply to a salaried, full-time employee of a district attorney or of any department or agency of the state who is employed as a hearing reporter.

This section shall apply to all persons who are appointed on or after January 1, 1983, to the position of official reporter or pro tempore official reporter of any court, as defined in the Government Code.

This section shall become operative on and after February 1, 1984.

8017. Shorthand Reporting Defined

The practice of shorthand reporting is defined as the making, by means of written symbols or abbreviations in shorthand or machine shorthand writing, of a verbatim record of any oral court

proceeding, deposition, or proceeding before any grand jury, referee, or court commissioner and the accurate transcription thereof.

8018. Title and Abbreviation

Any natural person holding a valid certificate as a shorthand reporter, as provided in this chapter, shall be known as a "certified shorthand reporter." Except as provided in Section 8043, no other person, firm or corporation may assume or use the title "certified shorthand reporter," or the abbreviation "C.S.R.," or use any words or symbols indicating or tending to indicate that he, she or it is certified under this chapter.

8019. Violation as Misdemeanor

A violation of any provision of this chapter is a misdemeanor.

Any person who directly or indirectly assists in or abets the violation of, or conspires to aid or abet in the violation of, any provision of this chapter, is guilty of a misdemeanor.

Article 3. Application, Examination, and Certificates; Requirement and Contents

8020. Qualifications for Certificate

Any person over the age of 18 years, who has not committed any acts or crimes constituting grounds for denial of licensure under Section 480, 8025, and 8025.1, who has a high school education or its equivalent as determined by the board, and who has satisfactorily passed an examination under any regulations that the board may prescribe shall be entitled to a certificate and shall be styled and known as a certified shorthand reporter. No person shall be admitted to the examination without first presenting satisfactory evidence to the board that within the five years immediately preceding the date of application for certificate the applicant has obtained one of the following:

(a) One year of experience in making verbatim records of depositions, arbitrations, hearings, or judicial or related proceedings by means of written symbols or abbreviations in shorthand or machine shorthand writing and transcribing these records.

(b) A verified certificate of satisfactory completion of a prescribed course of study in a recognized court reporting school or certificate from the school evidencing equivalent proficiency and of the ability to make a verbatim record of material dictated in accordance with regulations adopted by the board contained in Title 16 of the California Code of Regulations .

(c) National Shorthand Reporters Association certificate of proficiency or certificate of merit.

(d) A passing grade on the California state hearing reporters examination.

(e) A valid certified shorthand reporters certificate or license to practice shorthand reporting issued by a state other than California whose requirements and licensing examination are substantially the same as those in California.

8021. Time and Place of Examination

Examinations shall be held at least semiannually, and at such times and places as the board may designate.

8022. Application; Fee

(a) Each applicant for a certificate under this chapter shall file an application with the executive officer, on a form as prescribed by the board, at least 45 days before the date fixed for examination, and the application shall be accompanied by the required fee. For purposes of determining the date upon which an application is deemed filed with the executive officer, the date of postmark as affixed by the United States Postal Service, or the date certified by a bona fide private courier service on the envelope containing the application shall control.

(b) Nothing in this section shall be construed to limit the board's authority to seek from any applicant any other information pertinent to the background, education, and experience of the applicant that may be deemed necessary in order to evaluate the applicant's qualifications and fitness for licensure.

8023. Necessity of Examination

No certificate shall be issued until the applicant has passed the examination prescribed by the board.

8023.5. Examination or Knowledge of English Language

If an applicant for a certificate is from a country where the principal language spoken is one other than English, the board may, in addition to any other examination required by this chapter, examine the applicant on his or her knowledge of the English language.

8024. Expiration of Certificates; Renewal of Unexpired Certificate

All certificates issued under this chapter shall be valid for a period of one year, except for the initial period of licensure as prescribed by the board, and shall expire at 12 midnight on the last day of the month of birth of the licensee unless renewed.

To renew an unexpired certificate, the certificate holder shall, on or before each of the dates on which it would otherwise expire, do all of the following:

- (a) Apply for renewal on a form prescribed by the board.
- (b) Pay the renewal fee prescribed by this chapter.
- (c) Notify the board whether he or she has been convicted of any felony, any crime substantially related to the functions and duties of a court reporter, or any disciplinary action taken by any regulatory or licensing board in this or any other state, subsequent to the licensee's last renewal.

8024.1. Initial Certificate Fee

Every person to whom a certificate is issued shall, as a condition precedent to its issuance, and in addition to any other fee which may be payable, pay the initial certificate fee prescribed by this chapter.

8024.2. Renewal of Expired Certificate; Fee; Effective Date of Renewal

(a) Except as otherwise provided in this article, a certificate which has expired may be renewed at any time within the period set forth in Section 8024.5 by doing all of the following:

- (1) Apply for renewal on a form prescribed by the board.
- (2) Pay the renewal fee prescribed by this chapter.
- (3) Notify the board whether he or she has been convicted of any felony, any crime substantially related to the functions and duties of a court reporter, or any disciplinary action taken by any regulatory or licensing board in this or any other state, subsequent to the licensee's last renewal.

(b) If the certificate is not renewed within 30 days after its expiration, the certificate holder, as a condition precedent to renewal, shall also pay the delinquency fee set forth in Section 163.5. Renewal under this section shall be effective on the date on which the renewal fee is paid, or on the date on which the delinquency fee, if any, is paid, whichever last occurs. If so renewed, the certificate shall continue in effect through the date provided in Section 8024 which next occurs after the effective date of the renewal, when it shall expire if it is not again renewed.

8024.3. Expiration of Suspended Certificate; Renewal

A suspended certificate is subject to expiration and shall be renewed as provided in this article, but such renewal does not entitle the holder of the certificate, while it remains suspended and until it is reinstated, to engage in the activity to which the certificate relates, or in any other activity or conduct in violation of the order or judgment by which it was suspended.

8024.4. Expiration of Revoked Certificate; Renewal; Reinstatement.

A revoked certificate is subject to expiration as provided in this article, but it may not be renewed. If it is reinstated after its expiration, the holder of the certificate, as a condition precedent to its reinstatement, shall pay a reinstatement fee in an amount equal to the renewal fee in effect on the last regular renewal date before the date on which it is reinstated, plus the delinquency fee, if any, accrued at the time of its revocation.

8024.5. Failure to Renew Within Three Years; Issuance of New Certificate.

A certificate that is not renewed within three years after its expiration may not be renewed, restored, reinstated, or reissued thereafter. The holder of the certificate shall return the expired certificate to the board. To obtain a new certificate, the holder shall pay all of the fees and meet all of the qualifications and requirements set forth in this chapter for obtaining an original certificate, including qualifying for, taking, and passing the licensing examination.

Section 8024.6. Requirement to Notify Board of Any Changes With Respect to Licensee

(a) A certificate holder shall give written notice to the board at its office in Sacramento of a name change within 30 days after each change, giving both the old and the new names. A copy of the legal

document affecting the name change, such as a court order or marriage certificate, shall be submitted with the notice.

(b) Each certificate holder shall notify the board in writing at its office in Sacramento of a change of address within 30 days after each change, giving both the old and the new addresses.

(c) A penalty as provided in this chapter shall be paid by each certificate holder who fails to notify the board within 30 days as specified in this section.

8024.7. Inactive Category of Licensure

The board shall establish an inactive category of licensure for persons who are not actively engaged in the practice of shorthand reporting.

(a) The holder of an inactive license issued pursuant to this section shall not engage in any activity for which a license is required.

(b) An inactive license issued pursuant to this section shall be renewed during the same time period in which an active license is renewed. The holder of an inactive license is exempt from any continuing education requirement for renewal of an active license.

(c) The renewal fee for a license in an active status shall apply also for a renewal of a license in an inactive status, unless a lesser renewal fee is specified by the board.

(d) In order for the holder of an inactive license issued pursuant to this section to restore his or her license to an active status, the holder of an inactive license shall comply with both of the following:

(1) Pay the renewal fee.

(2) If the board requires completion of continuing education for renewal of an active license, complete continuing education equivalent to that required for renewal of an active license, unless a different requirement is specified by the board.

8025. Grounds for Suspension or Revocation.

A certificate issued under this chapter may be suspended or revoked, or certification may be denied, for one or more of the following causes:

(a) Conviction of a crime substantially related to the qualifications, functions, and duties of a certified shorthand reporter. The record of conviction, or a certified copy thereof, shall be conclusive evidence of the conviction.

(b) Failure to notify the board of a conviction in accordance with Section 8024 or Section 8024.2.

(c) Fraud or misrepresentation resorted to in obtaining a certificate hereunder.

(d) Fraud, dishonesty, corruption, willful violation of duty, gross negligence or incompetency in practice, or unprofessional conduct in the practice of shorthand reporting.

“Unprofessional conduct” includes, but is not limited to, acts contrary to professional standards concerning confidentiality; impartiality; filing and retention of notes; notifications, availability, delivery, execution and certification of transcripts; and any provision of law substantially related to the duties of a certified shorthand reporter.

(e) Repeated unexcused failure, whether or not willful, to transcribe notes of cases pending on appeal and to file the transcripts thereof within the time required by law or to transcribe or file notes of other proceedings within the time required by law or agreed by contract. Violation of this subdivision shall also be deemed an act endangering the public health, safety, or welfare within the meaning of Section 494.

(f) Loss or destruction of stenographic notes, whether on paper or electronic media, which prevents the production of a transcript, due to negligence of the licensee.

(g) Failure to comply with or to pay a monetary sanction imposed by, any court for failure to provide timely transcripts.

(h) Violation of this chapter or the statutes, rules, and regulations pertaining to certified shorthand reporters.

8025.1. Additional Grounds for Suspension, Revocation, or Denial; Physical or Mental Examination; Hearing to Contest Automatic Suspension

(a) In addition to the causes for discipline or denial of certification set forth in Section 8025, the board may suspend or revoke any certificate, or deny certification, on any of the following grounds:

(1) That the applicant or licensee is incapable of performing the duties of a certified shorthand reporter due to physical or mental infirmity or incapacity.

(2) That the applicant or licensee is unable to perform the duties of a certified shorthand reporter due to the abuse of chemical substances or alcohol.

(b) For purposes of determining the existence or nonexistence of grounds for denial, suspension, or revocation of a license as set forth in this section, the board may, based upon a reasonable belief that the grounds exist, require the applicant or licensee to submit to a physical or mental examination or examinations by a licensed physician as designated by the board. Failure to submit to, or schedule, a physical or mental examination within 10 days of written demand by the board shall result in the automatic suspension of any license or the denial of any application. The denial of an application on any of the grounds set forth in this section shall be subject to the provisions of Sections 11504 and 11504.5 of the Government Code. The licensee may request a hearing to contest an automatic suspension of licensure under this section by sending a written request for hearing to the offices of the board within 12 days of the date that the board mails a notice of suspension to the licensee. If a hearing is requested, it shall be convened within 30 days after the receipt by the board of the written request for the hearing. The hearing shall be conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. The sole issue for determination in the hearing, whether for denial or suspension of license, shall be whether the licensee failed or refused to submit to the physical or mental examination after being duly ordered to do so by the board. Evidence that the licensee has, since the date of automatic suspension, submitted to a mental or physical examination shall be considered as mitigation of any failure or refusal to comply with the board's order, and may, in the sound discretion of the administrative law judge, constitute cause to set aside any automatic suspension. A decision shall be rendered by the administrative law judge within 10 days of the hearing and shall constitute the final determination as to the continuing status of any automatic suspension.

(c) Following a physical or mental examination pursuant to subdivision (b), the physician conducting the examination shall determine whether the applicant or licensee is incapable of performing the duties of a certified shorthand reporter due to physical or mental infirmity or incapacity, or whether the applicant or licensee is unable to perform the duties of a certified shorthand reporter due to the abuse of chemical substances or alcohol. Where a medical determination is made that an impairment exists, and the finding is reported to the board, the board shall deny any application and any license shall be automatically suspended. The denial of an application on these grounds shall be subject to the provisions of Section 11504 and 11054.5 of the Government Code. The licensee may request a hearing to contest an automatic suspension of licensure under this section by sending a written request for hearing to the offices of the board within 12 days of the date that the board mails a notice of suspension to the licensee. If a hearing is requested, it shall be convened within 30 days after the receipt by the board of the written request for hearing. The hearing shall be conducted in accordance with the provisions of Chapter 5 (commencing with Section 11500) of Part 1 of Division 2 of Title 2 of the Government Code. The sole issue for determination in the hearing, whether for denial or suspension of license, shall be whether the applicant or licensee is incapable of performing the duties of a certified shorthand reporter due to physical or mental infirmity or incapacity, or whether the applicant or licensee is unable to perform the duties of a certified shorthand reporter due to the abuse of chemical substances or alcohol.

(d) For the purposes of the hearing conducted pursuant to subdivision (c), the applicant or licensee shall, at a minimum, have the following rights:

- (1) To be represented by counsel.
- (2) To have a record made of the proceedings, copies of which may be obtained by the licensee upon payment of any reasonable charges associated with the record.
- (3) To call, examine, and cross-examine witnesses.
- (4) To present and rebut evidence determined to be relevant.
- (5) To present oral argument.

(e) The statutory period governing reapplication for licensure following denial of the application as set forth in Section 486 does not apply to licenses denied under this section.

8026. Conviction Defined; Time for Action by Board

A plea or verdict of guilty or a conviction following a plea of nolo contendere made to a charge substantially related to the qualifications, functions and duties of a certified shorthand reporter is deemed to be a conviction within the meaning of this article.

The board may order the certificate suspended or revoked, or may decline to issue a certificate, when the time for appeal has elapsed, or the judgment of conviction has been affirmed on appeal or when an order granting probation is made suspending the imposition of sentence, irrespective of a subsequent

order under the provisions of Section 1203.4 of the Penal Code allowing such person to withdraw his plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information or indictment.

8027. Court Reporting Schools; Requirements; Recognition

(a) As used in this section, "school" means a court reporter training program or an institution which provides a course of instruction approved by the board, and which is approved by the Council for Private Postsecondary and Vocational Education, is a public school in this state, or is credited by the Western Association of Schools and Colleges.

(b) A court reporting school shall be primarily organized to train students for the practice of shorthand reporting, as defined in Sections 8016 and 8017. Its educational program shall be on the postsecondary or collegiate level, and shall be a residence program; its educational program shall not be a correspondence program. It shall be legally organized and authorized to conduct its program under all applicable laws of the state, and shall conform to and offer the minimum prescribed course of study established by the board. Its records shall be kept and shall be maintained in a manner to render them safe from theft, fire, or other loss. The records shall indicate positive daily and clock-hour attendance of each student; apprenticeship and graduation reports; high school transcripts or equivalent; transcript of other education; and, student progress to date.

(c) Any school intending to offer a program in court reporting shall notify the board within 30 days of the date on which it provides notice to, or seeks approval from, the California Department of Education, the Council for Private Postsecondary and Vocational Education, the Chancellor's Office of the California Community Colleges, or the Western Association of Schools and Colleges, whichever is applicable. The board shall review the proposed curriculum and provide the school tentative approval, or notice of denial, within 60 days of receipt of the notice. The school shall apply for provisional recognition pursuant to subdivision (d) within no more than one year from the date it begins offering court reporting classes.

(d) The board may grant provisional recognition to a new court reporting school upon satisfactory evidence that it has met all of the provisions of subdivision (b) and this subdivision. Recognition may be granted by the board to a provisionally recognized school after it has been in continuous operation for a period of no less than three consecutive years from the date provisional recognition was granted, during which period the school shall provide satisfactory evidence that at least one person has successfully completed the entire course of study established by the board and complied with the provisions of Section 8020, and has been issued a certificate to practice shorthand reporting as defined in Sections 8016 and 8017. The board may, for good cause shown, extend the three-year provisional recognition period for not more than one year. Failure to meet the provisions and terms of this section shall require the board to deny recognition. Once granted, recognition may be withdrawn by the board for failure to comply with the requirements of this section.

(e) Application for recognition of a court reporting school shall be made upon a form prescribed by the board and shall be accompanied by all evidence, statements, or documents requested. Each branch, extension center or off-campus facility requires separate application.

(f) All recognized and provisionally recognized court reporting schools shall notify the board of any change in school name, address, telephone number, responsible court reporting program manager, owner of private schools, and the effective date thereof, within 30 days of the change. The board shall be notified, immediately, of the discontinuance, or pending discontinuance of the school or program. All of these notifications shall be made in writing.

(g) The board shall maintain a roster of currently recognized and provisionally recognized court reporting schools including, but not limited to, the name, address, telephone number, and the name of the responsible court reporting program manager of each school.

(h) The board shall maintain statistics which display the number and passing percentage of all first-time examinees including, but not limited to, those qualified by each recognized or provisionally-recognized school and those first-time examinees qualified by other methods as defined in Section 8020.

(i) Inspections and investigations shall be conducted by the board as necessary to carry out this section.

(j) All recognized and provisional recognized schools shall print in their school or course catalog the name, address, and telephone number of the board. At a minimum, the information shall be in 8-point bold type and include the following statement:

"IN ORDER FOR A PERSON TO QUALIFY FROM A SCHOOL TO TAKE THE STATE LICENSING EXAMINATION, THE PERSON SHALL COMPLETE A PROGRAM AT A RECOGNIZED SCHOOL. FOR INFORMATION CONCERNING THE MINIMUM REQUIREMENTS THAT A COURT

REPORTING PROGRAM MUST MEET IN ORDER TO BE RECOGNIZED, CONTACT: THE COURT REPORTERS BOARD OF CALIFORNIA, 2535 CAPITOL OAKS DRIVE #230, SACRAMENTO, CA 95833, (916) 263-3660."

(k) Each court reporting school shall file with the board, not later than June 30 of each year, a current school catalog which shows all course offerings and staff, and for private schools, the owner, except that where there have been no changes to the catalog within the previous year, no catalog need be sent. In addition, each school shall also file with the board a statement certifying that the school is in compliance with all statutes and the rules and regulations of the board, signed by the responsible court reporting program manager.

(l) No school offering court reporting shall make any written or verbal claims of employment opportunities or potential earnings unless those claims are based on verified data and reflect current employment conditions.

(m) Any person teaching an academic course, that is a course other than machine shorthand or typing, in a court reporting program shall meet one of the following criteria:

(1) Possess a minimum of an Associate of Arts degree and, in addition, either a minimum of two years of experience teaching the subject being taught or at least two years' work experience in a job substantially related to the subject being taught.

(2) Possess a current license as a certified shorthand reporter and, in addition, either a minimum of two years of experience teaching the subject being taught or at least two years' work experience in a job substantially related to the subject being taught.

(3) Possess a minimum of four years' experience teaching the subject being taught or a minimum of four years' work experience in a job substantially related to the subject being taught.

(4) Possess a minimum of a Bachelor of Arts or Bachelor of Science degree in the subject being taught.

(n) The pass rate of first-time exam takers for each school offering court reporting shall meet or exceed a rate set at a one standard deviation below the median of all first-time takers for all examinations given for the preceding three years. Failure to do so shall require the board to conduct a review of the program. In addition, the board may place the school on probation and may withdraw recognition if the school continues to place below the above described standard on the two exams that follow the three-year period.

Article 4. TRANSCRIPT REIMBURSEMENT FUND

8030. Disposition of Revenues; Shorthand Reporter's Fund

All fees and other revenues received by the board shall be reported promptly to the State Controller and shall be deposited with the State Treasurer to be placed in the Shorthand Reporters' Fund, which fund is continued in existence in the State Treasury and is appropriated to carry out the provisions of this chapter.

8030.2. Transcript Reimbursement Fund; Source of Funds; Creation; Appropriation; Repeal of Section

(a) To provide shorthand reporting services to low-income litigants in civil cases, who are unable to otherwise afford those services, funds generated by fees received by the board pursuant to subdivision (c) of Section 8031 in excess of funds needed to support the board's operating budget for the fiscal year in which a transfer described below is made shall be used by the board for the purpose of establishing and maintaining a Transcript Reimbursement Fund. The Transcript Reimbursement Fund shall be established by a transfer of funds from the Court Reporters' Fund and shall be maintained in an amount no less than three hundred thousand dollars (\$300,000) for each fiscal year.

(b) All moneys held in the Court Reporters Fund on the effective date of this section in excess of the board's operating budget for the 1996-97 fiscal year shall be used as provided in subdivision (a).

(c) Refunds and unexpended funds that are anticipated to remain in the Transcript Reimbursement Fund at the end of the fiscal year shall be considered by the board in establishing the fee assessment pursuant to Section 8031 so that the assessment shall maintain the Transcript Reimbursement Fund at the appropriate level in the following fiscal year.

(d) The Transcript Reimbursement Fund is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, moneys in the Transcript Reimbursement Fund are continuously appropriated for the purposes of this chapter.

(e) Applicants who have been reimbursed pursuant to this chapter for services provided to litigants and who are awarded court costs or attorneys' fees by judgment or by settlement agreement, shall refund the full amount of that reimbursement to the fund within 90 days of receipt of the award or settlement.

(f) Subject to the limitations of this chapter, the board shall maintain the fund at a level which is sufficient to pay all qualified claims. To accomplish this objective, the board shall utilize all refunds, unexpended funds, fees, and any other moneys received by the board.

(g) Notwithstanding Section 16346 of the Government Code, all unencumbered funds remaining in the Transcript Reimbursement Fund as of June 29, 1999, shall be transferred to the Court Reporters' Fund. This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed.

8030.4. Definitions; Duration of Section

As used in this chapter:

(a) "Qualified legal services project" means a nonprofit project incorporated and operated exclusively in California which provides as its primary purpose and function legal services without charge to indigent persons, has a board of directors or advisory board composed of both attorneys and consumers of legal services, and provides for community participation in legal services programming. Legal services projects funded either in whole or in part by the Legal Services Corporation or with Older Americans Act funds are presumed to be qualified legal services projects for the purposes of this chapter.

(b) "Qualified support center" means an incorporated nonprofit legal services center, having an office or offices in California, which office or offices provide legal services or technical assistance without charge to qualified legal services projects and their clients on a multi county basis in California. Support centers funded either in whole or in part by the Legal Services Corporation or with Older Americans Act funds are presumed to be qualified legal services projects for the purpose of this chapter.

(c) "Other qualified project" means a nonprofit organization formed for charitable or other public purposes, not receiving funds from the Legal Services Corporation or pursuant to the Older Americans Act, which organization or association provides free legal services to indigent persons.

(d) "Pro bono attorney" means any attorney, law firm, or legal corporation, licensed to practice law in this state, which undertakes without charge to the party the representation of an indigent person, referred by a qualified legal services project, qualified support center, or other qualified project, in a case not considered to be fee generating as defined in this chapter.

(e) "Applicant" means a qualified legal services project, qualified support center, other qualified project, or pro bono attorney applying to receive funds from the Transcript Reimbursement Fund established by this chapter. The term "applicant" shall not include persons appearing pro se to represent themselves at any stage of the case.

(f) "Indigent person" means either a person whose income is 125 percent or less of the current poverty threshold established by the Office of Management and Budget of the United States, a disabled person whose income after meeting medical and other disability-related special expenses is 125 percent or less of that current poverty threshold, or a person who receives or is eligible to receive supplemental security income.

(g) "Fee-generating case" means any case or matter which, if undertaken on behalf of an eligible client by an attorney in private practice, reasonably may be expected to result in payment of a fee for legal services from an award to a client, from public funds, or from an opposing party. A reasonable expectation as to payment of a legal fee exists wherever a client enters into a contingent fee agreement with his or her lawyer. If there is no contingent fee agreement, a case is not considered fee generating if adequate representation is deemed to be unavailable because of the occurrence of any of the following circumstances:

(1) Where the applicant has determined that referral is not possible because of any of the following:

(A) The case has been rejected by the local lawyer referral service, or if there is no such service, by two private attorneys who have experience in the subject matter of the case.

(B) Neither the referral service nor any lawyer will consider the case without payment of a consultation fee.

(C) The case is of the type that private attorneys in the area ordinarily do not accept, or do not accept without prepayment of a fee.

(D) Emergency circumstances compel immediate action before referral can be made, but the client is advised that, if appropriate and consistent with professional responsibility, referral will be attempted at a later time.

(2) Where recovery of damages is not the principal object of the case and a request for damages is merely ancillary to an action for equitable or other nonpecuniary relief; or inclusion of a counterclaim requesting damages is necessary for effective defense or because of applicable rules governing joinder of counterclaims.

(3) Where a court appoints an applicant or an employee of an applicant pursuant to a statute or a court rule or practice of equal applicability to all attorneys in the jurisdiction.

(4) In any case involving the rights of a claimant under a public supported benefit program for which entitlement to benefit is based on need.

(h) "Legal Services Corporation" means the Legal Services Corporation established under the Legal Services Corporation Act of 1974, Public Law 93-355, as amended.

(i) "Supplemental security income recipient" means an individual receiving or eligible to receive payments under Title XVI of the Social Security Act, Public Law 92-603, as amended, or payment under Chapter 3 (commencing with Section 12000) of Part 3 of Division 9 of the Welfare and Institutions Code.

(j) "Lawyer referral service" means a lawyer referral program authorized by the State Bar of California pursuant to the rules of professional conduct.

(k) "Older Americans Act" means the Older Americans Act of 1965, Public Law 89-73, as amended.

(l) "Rules of professional conduct" means those rules adopted by the State Bar pursuant to Sections 6076 and 6077.

(m) "Certified shorthand reporter" means a shorthand reporter certified pursuant to Article 3 (commencing with Section 8020) performing shorthand reporting services pursuant to Section 8017.

(n) "Case" means a single legal proceeding from its inception, through all levels of hearing, trial, and appeal until its ultimate conclusion and disposition.

This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed unless a later enacted statute, that becomes operative on or before January 1, 2000, deletes or extends the dates on which it comes inoperative and is repealed.

8030.6. Disbursement of Funds; Procedures; Duration of Section

The board shall disburse funds from the Transcript Reimbursement Fund for the costs, exclusive of per diem charges, of preparing either an original transcript and one copy thereof, or where appropriate, a copy of the transcript, of court or deposition proceedings, or both, incurred as a contractual obligation between the shorthand reporter and the applicant, for litigation conducted in California. If no deposition transcript is ordered, the board may reimburse the applicant or the certified shorthand reporter designated in the application for per diem costs. The rate of per diem for depositions shall not exceed seventy-five dollars (\$75) for a half day, or one hundred twenty-five dollars (\$125) for a full day. In the event that a transcript is ordered within one year of the date of the deposition, but subsequent to the per diem having been reimbursed by the Transcript Reimbursement Fund, the amount of the per diem shall be deducted from the amount of transcript. Reimbursement may be obtained through the following procedures:

(a) The applicant or certified shorthand reporter shall promptly submit to the board the certified shorthand reporter's invoice for transcripts together with the appropriate documentation as is required by this chapter.

(b) Except as provided in subdivision (c), the board shall promptly determine if the applicant is entitled to reimbursement under this chapter and shall make payment as follows:

(1) Regular customary charges for preparation of original deposition transcripts and one copy thereof, or a copy of the transcripts.

(2) Regular customary charges for expedited deposition transcripts up to a maximum of two thousand five hundred dollars (\$2,500) per case.

(3) Regular customary charges for the preparation of original transcripts and one copy thereof, or a copy of transcripts of court proceedings.

(4) Regular customary charges for expedited or daily charges for preparation of original transcripts and one copy thereof or a copy of transcripts of court proceedings.

(5) The charges may not include notary or handling fees. The charges may include actual shipping costs and exhibits, except that the cost of exhibits may not exceed thirty-five cents (\$0.35) each or a total of thirty-five dollars (\$35) per transcript.

(c) The maximum amount reimbursable by the fund under subdivision (b) shall not exceed twenty thousand dollars (\$20,000) per case per year.

(d) If entitled, and funds are available, the board shall forthwith disburse the appropriate sum to the applicant or the certified shorthand reporter when documentation as provided in subdivision (d) of Section 8038.8 accompanies the application. A notice shall be sent to the recipient requiring the recipient to file a notice with the court in which the action is pending stating the sum of reimbursement paid pursuant to this section. The notice filed with the court shall also state that if the sum is subsequently included in any award of costs made in the action, that the sum is to be ordered refunded by the applicant to the transcript Reimbursement Fund whenever the sum is actually recovered as costs. The court may not consider whether payment has been made from the Transcript Reimbursement Fund in determining the appropriateness of any award of costs to the parties. The board shall also forthwith notify the applicant that the reimbursed sum has been paid to the certified shorthand reporter and shall likewise notify the applicant of the duty to refund any sum actually recovered as costs in the action.

(e) If not entitled, the board shall forthwith return a copy of the invoice to the applicant and the designated certified shorthand reporter together with a notice stating the grounds for denial.

(f) The board shall complete its actions under this subdivision within 30 days of receipt of the invoice and all required documentation, including a completed application.

(g) Applications for reimbursements from the fund shall be filled on a first-come basis.

(h) Applications for reimbursement which cannot be paid from the fund due to insufficiency of the fund for that fiscal year shall be held over until the next fiscal year to be paid out of the renewed fund.

This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2000, deletes or extends the date on which it becomes inoperative and is repealed.

8030.8. Documentation to Establish Entitlement to Reimbursement; Duration of Section

(a) For purposes of this chapter, documentation accompanying an invoice is sufficient to establish entitlement for reimbursement from the Transcript Reimbursement Fund if it is filed with the executive officer on an application form prescribed by the board which is complete in all respects, and which establishes all of the following:

(1) The case name and number and that the litigant or litigants requesting the reimbursement are indigent persons.

(2) The applicant is qualified under the provisions of this chapter.

(3) The case is not a fee generating case as defined in Section 8030.4.

(4) The invoice or other documentation shall evidence that the certified shorthand reporter to be reimbursed was, at the time the services were rendered, a duly licensed certified shorthand reporter.

(5) The invoice shall be accompanied by a statement, signed by the applicant, stating that the charges are for transcripts actually provided as indicated on the invoice.

(6) The applicant has acknowledged, in writing, that as a condition of entitlement for reimbursement that the applicant agrees to refund the entire amount disbursed from the Transcript Reimbursement Fund from any costs or attorneys' fees awarded to the applicant by the court or provided for in any settlement agreement in the case.

(7) The certified shorthand reporter's invoice for transcripts shall include separate itemizations of charges claimed, as follows:

(A) Total charges and rates for customary services in preparation of an original transcript and one copy or a copy of the transcript of depositions.

(B) Total charges and rates for expedited deposition transcripts.

(C) Total charges and rates in connection with transcription of court proceedings.

(b) In the case of an applicant claiming to be eligible pursuant to subdivision (a), (b), or (c) of Section 8030.4, a letter from the director of such project or center, certifying that the project or center meets the standards set forth in one of those subdivisions and that the litigant or litigants are indigent persons, is sufficient documentation to establish eligibility.

(c) For an applicant claiming to be eligible pursuant to subdivision (d) of Section 8030.4, a letter certifying that the applicant meets the requirements of that subdivision, that the case is not a fee-generating case as defined in subdivision (g) of Section 8030.4, and that the litigant or litigants are indigent persons, together with a letter from the director of a project or center defined in subdivision (a), (b) or (c) of Section 8030.4 certifying that the litigant or litigants had been referred by that project or center to the applicant, is sufficient documentation to establish eligibility.

(d) The applicant may receive reimbursement directly from the board when the applicant has previously paid the certified shorthand reporter for transcripts as provided in Section 8030.6. To receive payment directly, the applicant shall submit, in addition to all other required documentation, an itemized statement signed by the certified shorthand reporter performing the services which describes payment for transcripts in accordance with the requirements of Section 8030.6.

(e) The board may prescribe appropriate forms to be used by applicants and certified reporters to facilitate these requirements.

(f) This chapter does not restrict the contractual obligation or payment for services, including, but not limited to, billing the applicant directly, during the pendency of the claim.

This section shall become inoperative on July 1, 1999, and, as of January 1, 2000, is repealed unless a later enacted statute, that becomes operative on or before January 1, 2000, deletes or extends the dates on which it becomes inoperative and is repealed.

8031. Fee Schedule

The amount of the fees required by this chapter is that fixed by the board in accordance with the following schedule:

(a) The fee for filing an application for each examination shall be no more than forty dollars (\$40).

(b) The initial certificate fee is an amount equal to the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued, except that, if the certificate will expire less than 180 days after its issuance, then the fee is 50 percent of the renewal fee in effect on the last regular renewal date before the date on which the certificate is issued or fifty dollars (\$50), whichever is greater. The board may, by appropriate regulation, provide for the waiver or refund of the initial certificate fee where the certificate is issued less than 45 days before the date on which it will expire.

(c) By a resolution adopted by the board, a renewal fee may be established in such amounts and at such times as the board may deem appropriate to meet its operational expenses and funding responsibilities as set forth in this chapter. The renewal fee shall not be more than one hundred twenty-five dollars (\$125) nor less than ten dollars (\$10) annually, with the following exception:

Any person who is employed full time by the State of California as a hearing reporter and who does not otherwise render shorthand reporting services for a fee shall be exempt from licensure while in state employment and shall not be subject to the renewal fee provisions of this subdivision until 30 days after leaving state employment. The renewal fee shall, in addition to the amount fixed by this subdivision, include any unpaid fees required by this section plus any delinquency fee.

(d) The duplicate certificate fee shall be no greater than five dollars (\$5).

(e) The penalty for failure to notify the board of a change of address shall be no greater than twenty dollars (\$20).

This section shall become operative on June 30, 1996.

Article 5. Shorthand Reporting Corporations

8040. Definition of Shorthand Reporting Corporation

A shorthand reporting corporation is a corporation which is authorized to render professional services, as defined in Section 13401 of the Corporations Code, so long as that corporation and all of its shareholders, officers, directors, and employees rendering professional services who are certified shorthand reporters are in compliance with the Moscone-Knox Professional Corporation Act, this article, and all other statutes and regulations now or hereafter enacted or adopted pertaining to that corporation and the conduct of its officers. With respect to a shorthand reporting corporation, the governmental agency referred to in the Moscone-Knox Professional Corporation Act is the Court Reporters Board of California.

8042. Report; Contents; Time; Fee

It shall constitute unprofessional conduct and a violation of this chapter for any person licensed under this chapter to violate, attempt to violate, directly or indirectly, or assist in or abet the violation of, or conspire to violate any provision or term of this article, the Moscone-Knox Professional Corporation Act, or any regulations duly adopted under those laws.

8043. Name

The name of a shorthand reporting corporation and any name or names under which it may be rendering professional services shall contain and be restricted to the name or the last name of one or

more of the present, prospective, or former shareholders or of persons who were associated with a predecessor person, partnership, corporation or other organization and whose name or names appeared in the name of such predecessor organization, and shall include either (a) the words "shorthand reporting corporation;" (b) the title "certified shorthand reporter," or the abbreviation "C.S.R.," and wording or abbreviations denoting corporate existence; or (c) the words "a professional corporation."

8044. Directors, Shareholders, and Officers; Necessity of License

Except as provided in Section 13403 of the Corporations Code, each director, shareholder, and officer of a shorthand reporting corporation shall be a licensed person as defined by Section 13401 of the Corporations Code.

8045. Income for Professional Services Not to Accrue to Disqualified Shareholders

The income of a shorthand reporting corporation attributable to professional services rendered while a shareholder is a disqualified person, as defined by Section 13401 of the Corporations Code, shall not in any manner accrue to the benefit of such shareholder for his shares in the shorthand reporting corporation.

8046. Scope of Practice

A shorthand reporting corporation shall not do or fail to do any act the doing of which or the failure to do which would constitute unprofessional conduct under any statute, rule or regulation now or hereafter in effect which pertains to shorthand reporters or shorthand reporting. In conducting its practice it shall observe and be bound by such statutes, rules and regulations to the same extent as a person holding a license under this chapter.

8047. Rules and Regulations; Sale of Stock of Disqualified or Deceased Person to Corporation; Security Against Claims

The board may formulate and enforce rules and regulations to carry out the provisions of this article, including rules and regulations requiring (a) that the articles of incorporation or bylaws of a shorthand reporting corporation shall include a provision whereby the capital stock of such corporation owned by a disqualified person, as defined by Section 13401 of the Corporations Code, or a deceased person shall be sold to the corporation or the remaining shareholders within such time as such rules and regulations may provide; and (b) that a shorthand reporting corporation as a condition of obtaining a certificate pursuant to the Moscone-Knox Professional Corporation Act and this article shall provide adequate security by insurance or otherwise for claims against it by its clients for errors and omissions arising out of the rendering of professional services.